

NCA
VOC FOR IOP/FM
BACKGROUND NO. 1-0891
MARK HOPKINS/MUNICH

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SOVIET FARM PLAN

ANNCR:

THE SOVIET COMMUNIST PARTY HAS CALLED FOR FASTER DEVELOPMENT OF INDUSTRIAL-TYPE FARMS IN THE COUNTRY. FOR A BACKGROUND REPORT HERE IS VOA CORRESPONDENT MARK HOPKINS IN OUR EUROPEAN BUREAU.

VOICE:

THE SOVIET UNION SPENDS ONE-FOURTH OF ITS INVESTMENTS IN THE ECONOMY ON AGRICULTURE. ONE-THIRD OF THE SOVIET LABOR FORCE WORKS ON FARMS, COMPARED WITH ABOUT FIVE PERCENT IN THE UNITED STATES. BUT IT IS CLEAR TO ALL THAT THE SOVIET UNION STILL IS NOT SELF-SUFFICIENT IN FOOD. FOR EVERY RUBLE OF INVESTMENT IN FARMS, PRODUCTION RISES BY ONLY ONE-THIRD OF A RUBLE.

IN THE DRIVE FOR EFFICIENCY, SOVIET PLANNERS ARE NOW TURNING TO "AGRO-INDUSTRIAL" ENTERPRISES. THEY HAVE BEEN TRIED WITH SOME SUCCESS IN THE SMALL SOVIET REPUBLIC OF MOLDAVIA. SOVIET ECONOMISTS FIGURE THAT THE NEW FARM ASSOCIATIONS CONSUME ONLY A THIRD OF THE LABOR, WHILE PRODUCTION COSTS ARE TRIMMED BY ONE-HALF, FOR THE SAME OUTPUT.

THERE ARE TWO TYPES OF FARMS IN THE SOVIET UNION. ONE IS THE COLLECTIVE FARM. THERE ARE ABOUT THIRTY-ONE THOUSAND OF THESE. THEY ARE OSTENSIBLY RUN BY PEASANTS AS A COOPERATIVE, THE PEASANTS SHARING IN PRODUCTION AFTER DELIVERIES TO THE STATE.

THE OTHER IS THE STATE FARM. THERE ARE ABOUT EIGHTEEN THOUSAND OF THESE STATE-OWNED ENTERPRISES WHERE WORKERS ARE PAID SALARIES AND BONUSES AS IN A FACTORY.

NEARLY ALL OF THE FARM REORGANIZATION SO FAR HAS BEEN AMONG THE STATE FARMS, THE SOVKHOZES AS THEY ARE CALLED. ITS WORKS TWO WAYS. EITHER FARMS ARE GROUPED TOGETHER TO SPECIALIZE IN ONE CROP OR TYPE OF CROP. OR FARMS ARE LINKED WITH LOCAL PROCESSING AND DISTRIBUTION AGENCIES TO FORM A SINGLE PRODUCTION UNIT.

THE GOAL, OF COURSE, IS EFFICIENCY. PLANNING IS SUPPOSED TO BE BETTER. PRODUCTION IS CHEAPER, AND THE FOOD IS SUPPOSED TO MOVE FROM ITS RAW STATE TO CONSUMER MARKETS IN RATIONAL ORGANIZATION.

ONE ULTIMATE PURPOSE OF THIS SPEED-UP OF FARM INDUSTRIALIZATION APPARENTLY IS A MERGER OF THE STATE AND COLLECTIVE FARMS. THIS HAS BEEN A LONG-TERM SOVIET POLICY. IT HAS BEEN RESISTED BY THE PEASANTS. THE COMMUNIST PARTY SAYS NOW THAT A FUSION OF AGRICULTURE AND INDUSTRY WILL BRING COLLECTIVES AND STATE FARMS CLOSER, FOR THEIR "EVENTUAL MERGER."

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